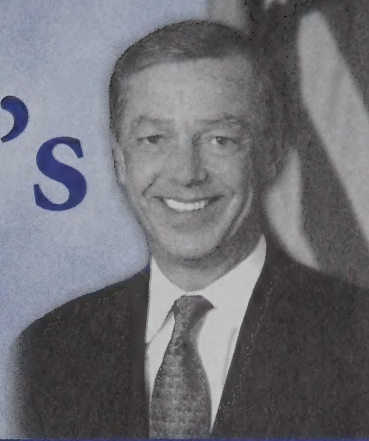




The Commissioner's REPORT

New Jersey
Transportation
Highlights



Governor
James E. McGreevey

November 2002

Commissioner
Jamie Fox

SPECIAL 'FIX DMV' ISSUE 'Fix DMV' report outlines reform plan

Governor McGreevey and I are pleased to announce that after six months of work the Fix DMV Commission issued its final report on November 7. The report details extensive customer service, corruption and security problems at New Jersey's DMV facilities. In light of recent terrorism, security reform at DMV must be addressed immediately and the Commission's report outlines our plan for a new, modern DMV capable of delivering

quality service in a secure environment. This plan is the basis for the DMV reform legislation currently before the State Legislature.

In this issue I have summarized the findings of the Commission as well as our recommendations for DMV reform. Please feel free to contact my office if you have any questions or concerns.

Assessing DMV Security

State Police warning: take steps to safeguard documents

Less than 25% of DMV facilities use any surveillance cameras, only 40% have panic alarms and a mere seven agencies have a law enforcement presence. In August the Commission issued an interim report recommending that the State Police run a security assessment of DMV.

The State Police found that at agencies across New Jersey, DMV documents are compromised by fraud, theft, corruption, weak internal controls and a lack of identity verification. Agencies had substandard alarm and surveillance systems and often lacked

the equipment necessary to detect counterfeit documents.

Although the Commission did not release its final report until November 7, DMV has already started to improve security. Alarm codes have been changed and locks are being upgraded. Ultraviolet lights and illuminated magnifiers are being purchased to detect counterfeit documents. Internal controls procedures are being re-evaluated and additional investigators and auditors are being hired.

The Commission recommends the creation of a security czar at DMV as well as stronger penalties for identity theft.

A committed workforce

DMV to regain integrity

Improving physical security is not a silver bullet answer for the security problems at DMV. Within the privatized agencies, poor pay and high turnover have created a workforce vulnerable to criminal exploitation. Our documentation will only be safeguarded if we have an honest workforce that is well equipped to detect fraud.

Under the new leadership of Diane Legreide, DMV has already begun to attack the root of corruption and remove dishonest employees. It has replaced 22 agents; 39 employees have either been terminated or arrested. An additional 18 employees resigned when given notice of DMV's new background check policy.

The Commission has concluded that better working conditions, including additional staff and better benefits are necessary for improving security. To accomplish this, the Commission is recommending the de-privatization of agencies. In addition, with the help of Attorney General, we have developed a new intensive document fraud training program.



Governor McGreevey (right) presents 'Fix DMV' report at a November 7 news event. With him are Transportation Commissioner Jamie Fox and DMV Director Diane Legreide.

Wanted: technology up to the task

21st century security risks demand 21st century technology

DMV must employ modern technology if it is to provide maximum security for its documents. In the past technological upgrades to its 17-year-old computer system have been patchwork at best. As a result DMV agencies often have no way of knowing who is accessing the computers and no way of detecting information discrepancies.

Some examples. A red flag should go up when more than two duplicate licenses are issued to the same person in New Jersey. It doesn't. A discrepancy in a social security number should be brought to the DMV's attention for further review. It isn't.

The Commission recommends a complete overhaul of the DMV computer system that will include: smart terminals equipped with biometric features to monitor computer access; a data warehouse to detect patterns of fraudulent activities; the creation of a digital driver license that is long over due in this state.

Agents should also be able to go online and verify immigration, social security and insurance information. We can no longer afford to allow vehicles to be registered without insurance as in the case of the sniper in the Washington, DC area. DMV must have the technology to catch these discrepancies.

No more horror stories

New Jerseyans deserve better customer service

Decades of neglect have eroded the quality of customer service at DMV. Visits to DMV are characterized by long waits, unpleasant clerks and inefficient procedures. The facilities themselves are a disgrace. Some do not even have public restrooms and seven of the agencies have less than half of the required 4,400 square feet.

This is unacceptable. DMV is a customer based agency and should be held accountable for a high level of customer service.

Creating a more customer-friendly place of business requires that employees go through customer service training. Small details can mean large progress for customer service. For example, employees should be

wearing nametags for greater accountability and more personalized service.

DMV must also better accommodate New Jersey drivers. DMV must make physical improvements at its facilities and offer better hours and more locations. For more accessibility at the DMV, the Commission has recommended selected Saturday hours, new software for phone centers and a review of agency locations.

The Commission also recommends that DMV develop the use of self-serve options so that drivers can complete routine transactions via the Internet or over the phone. This will be more convenient for customers and it will reduce wait time at the agencies.

A new game plan for DMV

DMV requires new strategies for service, security, funding

Budget neglect at DMV has reduced staff from 3,500 to 1,400. Budget cuts have left capital spending at less than one percent of its total budget. Facilities are rundown, technology is inadequate and DMV is devoid of any strategic planning mechanism.

To achieve the customer service and security goals outlined by the report, DMV must have more flexibility and a greater ability to plan and fund its operation. The Commission recommended the creation of a New Jersey Motor Vehicle Commission (NJMVC).

The NJMVC will be governed by a seven member Board of Directors, a chairperson, the Attorney General, the Treasurer, the Commissioner of Transportation,

and four private members. It will be responsible for the institution of a strategic plan and performance standards for the DMV.

The current funding structure does not provide DMV with the ability to hire more staff, maintain better facilities and utilize more advanced technology. Reform and security do not come free.

That is why the Commission is recommending that the state create a \$150 million DMV Technology and Security Capital Fund. This fund will be dedicated solely to DMV for the new computer system and security and customer service capital improvements such as surveillance cameras and the physical renovation of the DMV agencies.



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